

FISCAL NOTE

HB 840 - SB 937

April 7, 2003

SUMMARY OF BILL: Requires anyone contracting with the state for the construction, reconstruction, or maintenance of highways to include a warranty as to the quality of the workmanship for a duration of two years from the date of acceptance by the Commissioner of the Department of Transportation.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - The extent to which increased cost will be passed on to state and local governments, offset by savings to the state from having a two year warranty cannot be determined, but is estimated to result in a net increase in state and local government expenditures exceeding \$100,000.

Estimate assumes that:

- costs for the two year required warranty will be passed on to state and local government construction projects in the form of higher bids.
- the state will realize savings for repairs that would be covered under the warranty.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director